Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, Virginia 23219

http://www.cns.state.va.us/dmas/

MEDICAID
PROVIDER MANUAL UPDATE

TO: All Community Services Boards Participating in the Medicaid Program

FROM: Dennis G. Smith, Director
Department of Medical Assistance Services

DATE 8/22/2000

SUBJECT: Mental Retardation Waiver Eligibility Process

The following information describes the process of determining eligibility for the Mental Retardation ("MR") Waiver and for participating in the appeals process. These processes are designed to assure that all MR Waiver applicants and recipients are treated equally throughout the State.

Community services boards (CSBs), as the single point of entry for the MR Waiver, continue to be responsible for determining Waiver eligibility, developing the plans of care, providing case management for MR Waiver recipients, and participating in the appeals process. Also, CSBs continue to have the option to use their state general funds and their own local funds to provide 100% of services for their consumers who have mental retardation regardless of their eligibility for the MR Waiver. In addition, if CSBs wish to designate additional Waiver matching funds from their General Fund allocations, they are free to do so. This can be done by contacting the Department of Medical Assistance Services (DMAS) at (804) 786-3228 and making arrangements for the transfer of the funds to DMAS for claims payments. Please note that this option does not allow for funds to be designated for residents of a specific locality, instead the funds would be used to increase the statewide availability of Waiver matching funds to assure that the next most appropriate individual on the statewide waiting list receives needed services. It is the responsibility of any CSB exercising this option to work with the Department of Mental Health, Mental Retardation, and Substance Abuse Services (DMHMRSAS) to make the necessary adjustments in its Community Services Performance Contract.

The Office of Mental Retardation Services (OMRS) of the DMHMRSAS will continue to review and preauthorize initial plans of care, annual renewals, and service modifications for the MR Waiver. DMAS will review a random sample of plans of care that are submitted as part of its monitoring requirements for the Waiver.

MR Waiver Enrollment Process:

- Individuals apply to the CSB for MR Waiver eligibility determination.

- The CSB completes the standardized form (DMAS 20) to document consent to gather information required to determine eligibility.

- The CSB determines whether the individual meets the requirements for the MR Waiver. These requirements are:

  - For individuals age six and older, the CSB determines that the person has mental retardation.

  - The CSB administers a Level of Functioning (LOF) survey to determine eligibility for ICF/MR. In order to be eligible for waiver services, there must be a reasonable indication that the recipient might need the services of an ICF/MR in a month or less unless he or she receives home- or community-based services. 42 C.F.R. § 441.302(b)(1). This is determined through completion of the LOF survey as well as discussions with the family.

  - For children under age six there will not usually be a diagnosis of mental retardation. The CSB must assess the child for developmental risk, as defined in the MR Waiver regulations, and determine that the child requires the level of care provided in an ICF/MR.

- If the CSB determines the individual is eligible for the Waiver, the CSB documents that the individual or guardian was given a choice between admission to an ICF/MR and the MR Waiver, using the Documentation of Consumer Choice form.

- If the individual chooses the MR Waiver, the CSB completes the Waiver Enrollment Request and submits it to the Preauthorization Section of the OMRS in the DMHMRSAS. The Enrollment Request indicates that the applicant meets basic eligibility criteria, describes the living situation, and projects the service needs and overall cost. The OMRS reviews the Enrollment Request and, if enrollment is recommended, forwards the Enrollment Request (form attached) to the Long Term Care Division in the DMAS.

- DMAS determines the availability of sufficient funds for Waiver services requested.

- OMRS enrolls the individual in the Waiver if funds are available for this individual. These steps are:

  - DMAS provides written confirmation (letter attached) to OMRS that the individual can be enrolled in the waiver.

  - OMRS enrolls the individual and a letter is generated via the DMAS Medicaid Management Information System (MMIS) to the CSB.

  - Upon receipt of notification of enrollment, the CSB develops the plan of care/Service Authorization Request (SAR) and forwards them to the OMRS Preauthorization Section.

  - OMRS reviews the plan of care/SAR for appropriateness to meet the individual's needs, recommends SAR approval or disapproval, and enters denial or approval and information about the request in the DMAS MMIS.

  - DMAS MMIS issues written notification of disposition (approval or denial) to the applicant and the provider.

- ❖ OMRS provides the CSB with a copy of the SAR, which indicates approved and disapproved services, providing reasons for any denials.

- ❖ The CSB or other providers can begin providing services and bill for approved services only. Providers should ***not*** bill for services for which they do not have an approved SAR.

- DMAS will not approve enrollment for the individual in the Waiver if funds are not available.

  - ❖ DMAS will provide written notice (letter attached) to OMRS that the individual can not be enrolled in the waiver, providing the reason(s) for denial. DMAS will inform the OMRS that the individual has been placed on the statewide waiting list.

  - ❖ DMAS will place the individual on the statewide waiting list for MR Waiver Services.

  - ❖ OMRS will inform the CSB of the reason for the denial, that the individual has been placed on the statewide waiting list, and remind the CSB that they need to provide the individual with appeal rights.

  - ❖ The CSB will notify the applicant of his or her placement on the DMAS statewide waiting list for Waiver services and provide appeal rights.

  - ❖ DMAS will notify OMRS as resources become available and OMRS will make recommendations to DMAS about which applicants should be removed from the waiting list and enrolled in the Waiver.

- If the individual is denied Waiver services, the CSB must send the individual a denial notice with the right to appeal (Right to Appeal Notification Letter), stating the reason(s) the request has been denied and inform the individual of their placement on the DMAS statewide waiting list, if such placement is appropriate. OMRS will have access to view the statewide waiting list.

MR Waiver Annual Renewal Process

- The CSB must reevaluate each Waiver recipient at least annually pursuant to 42 C.F.R. § 441.302 (d).

- For currently enrolled Waiver consumers, the CSB resubmits an updated plan of care/SAR that reflects the recipient's current service needs to the OMRS Preauthorization Section.

- OMRS reviews the plan of care/SAR for appropriateness to meet the individual 's needs. If there is a request for an increase in the funding of the plan of care, OMRS forwards the SAR, indicating OMRS approval, to the Long Term Care Division of DMAS. OMRS will not forward any SARs that they do not approve for increases. OMRS will ensure that the SAR lists the recommended services, the total cost of the current plan of care, and the total cost of the recommended renewal plan of care.

- DMAS determines the availability of sufficient funds for increased Waiver services requested.

- DMAS approves the increased funding of the SAR to the extent funds are available.

- ❖ DMAS provides written notification (form attached) to OMRS that the increase in funding is approved.

- ❖ OMRS enters information from the approved SAR in the DMAS MMIS.

- ❖ DMAS MMIS transmits written notification of the approved SAR to the recipient and the provider.

- ❖ OMRS provides the CSB with a copy of the SAR, which indicates the level of services approved.

- ❖ The CSB or other providers can begin providing services and bill for approved services only. Providers should ***not*** bill for services for which they do not have an approved SAR.

- If the individual is denied Waiver services, the CSB must send the individual a denial notice with the right to appeal (Right to Appeal Notification Letter), stating the reason(s) the request has been denied.

Questions regarding the review and approval of plans of care/SARs and approvals or denials of funding and placement on the statewide waiting list should be directed to Martha Adams (804) 786-1746, the Director of the Office of Mental Retardation Services in the DMHMRSAS.